MULTIMEDIA UNIVERSITY

STUDENT ID NO

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FINAL EXAMINATION

TRIMESTER 3, 2022/2023

BAC2654 – PUBLIC SECTOR ACCOUNTING

(All sections / Groups)

3 October 2023
2.30 p.m - 5.30 p.m
(3 Hours)

INSTRUCTIONS TO STUDENTS

1. This Question paper consists of **FOUR** pages excluding the cover page.
2. Answer **ALL** questions. All questions carry equal marks and the distribution of the marks for each question is given.
3. Please print all your answers in the Answer Booklet provided.

QUESTION 1

KUALA LUMPUR – Prime Minister Datuk Seri Anwar Ibrahim today announced several additional initiatives in Budget 2023.

Anwar, who is also the Finance Minister when tabling the Supply Bill 2023 or the national budget for the second reading in the Dewan Negara today said that the new additional initiative involves Aidilfitri assistance, an extension of individual tax relief and the provision of housing credit through the Syarikat Jaminan Kredit Perumahan (SJKP).

"Given the current situation...I looked into the cohorts which had not benefitted from the previous initiative and found that they were still struggling, especially during Ramadan and Aidilfitri.

"So, the government has agreed to give another RM200 in the Special Aidilfitri Assistance to 850,000 rubber smallholders, paddy farmers and fishermen, in addition to what was announced before. This will cost RM170 million," he said.

Anwar said the increase is the biggest aid the government has ever given to fishermen, paddy farmers and rubber smallholders.

In Budget 2023 tabled on February 24, the government announced the Special Aidilfitri Assistance of RM300 per month for fishermen, RM200 per month for rice farmers for a period of three months per season as well as increasing the monsoon contribution from RM600 to RM800 for a period of four months to rubber smallholders.

(*Source: Bernama, March 2023*)

Required:

(a) Identify **FOUR** initiatives taken by the Ministry of Finance in supporting the government's aspirations.

(8 marks)

(b) Identify **FOUR** departments under the Ministry of Finance.

(8 marks)

(c) Distinguish the roles of Accountant General Department, Auditor General Department and Treasury Department of the Malaysian public sector.

(9 marks)

[TOTAL 25 MARKS]

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QUESTION 2

KUALA LUMPUR, The Ministry of Home Affairs and the Ministry of Defence have been allocated RM18.3 billion and RM17.4 billion respectively under Budget 2023.

Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz when tabling the Supply Bill 2023 in the Dewan Rakyat today said that the government's focus next year would be the purchase and maintenance of Malaysian Armed Forces (MAF) assets, with an allocation of almost RM4 billion.

He said the second was the purchase and maintenance of Royal Malaysia Police (PDRM) assets to improve domestic security with an allocation of RM431 million.

"The third is the maintenance of all ships and boats of the Malaysian Maritime Enforcement Agency (MMEA) to ensure the security of the country's maritime areas with an allocation of RM485 million.

"Apart from that is the procurement of body scanners and upgrading of facilities in five prisons, including the Seremban Prison in Negeri Sembilan with an allocation of RM18 million," he said.

(Source: Official Portal of Ministry of Finance, 7 October 2022)

Required:

(a) Outcome Based Budgeting (OBB) is supported by the integration of the budgeting process. Determine **FOUR** objectives of OBB.

(8 marks)

(b) Identify the budget process cycle as a management instrument used in the Malaysian public sector.

(12 marks)

(c) Identify **FIVE** types of budgetary control.

(5 marks)

[TOTAL 25 MARKS]

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QUESTION 3

Information and data related to Malaysian Federal Government for the year 20x3 are as follows:

Items	RM (million)
Revenue from Federal Territories	951
Miscellaneous capital receipts	1,504
Non-tax revenue	2,506
Disposal of capital assets	120
Loan recoveries	1,223
Private Finance Initiative	1,510
Multilateral loans	10,000
Special Development Activity Private Finance	2,626
Bilateral loans	21,729
Other trust receipts	17,271
Tax revenue	5,567
Advances recoveries	995
Domestic loans	8,929
Non-revenue receipts	52
External loans	3

Required:

(a) Prepare Statement of Cash Receipts for the year 20x3.

(22 marks)

(b) Identity **THREE** objectives of financial reporting of Malaysian government.

(3 marks)

[TOTAL 25 MARKS]

Continued...

QUESTION 4

KUALA LUMPUR: Seven performance audits involving government expenditure of a total of RM66.8 billion were carried out on activities undertaken by seven ministries, according to the Auditor-General's Report for 2021.

The report, second in a series, said the implementation of federal government activities, projects and programmes had been done according to the set objectives, although some weaknesses were found, such as output targets and set outcomes that were not fully achieved.

Some of the weaknesses were due to negligence in complying with the rules or procedures set by the government and lack of proper planning for programmes, projects and activities, according to the report released today.

Therefore, the Auditor-General has put forward 21 recommendations to be considered for implementation by the audited ministries, departments and agencies.

(Source: The Star, February 2023)

Required:

(a) Identify **THREE** objectives of performing a performance audit for organizations within the Malaysian public sector.

(9 marks)

(b) Identify **FOUR** powers of Auditor General based on Section 7 of Audit Act 1957.

(8 marks)

(c) Determine **FOUR** types of audit certificate produced by Auditor General.

(8 marks)

[TOTAL 25 MARKS]

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